

GCF access, GCF accreditation

Session 02



GCF Access: Basic Requirements

Key elements needed in a recipient country to be able to access GCF funding:

- Ambitious and coherent **national climate strategy / policy**
- Institutional requirements:
 - **NDA** designated by the Government
 - **NIEs** proposed by NDA and **accredited** by the GCF, and/or
 - **IIEs accredited** by the GCF
- **Projects, project pipelines** that fulfill GCF requirements



National Designated Authority (NDA)

Responsibilities of the NDA:

- **Recommend** to the GCF Board **funding proposals** in the context of national climate change strategies and plans, including through consultation processes;
- Facilitate the **communication of nominations of entities** to the Fund;
- Seek to ensure **consistency of funding proposals** from national, subnational, regional and international intermediaries and implementing entities with national plans and strategies;
- Implement the **no-objection procedure**;
- Act as the focal point for **Fund communication**.

→ GCF guidance on NDA available at GCF website, see <http://www.greenclimate.fund/funding/readiness-support/fine-print>



141 NDAs appointed as of 06/16

- Roughly 60% housed in Ministries responsible for Environment, e.g.: many African countries; Ethiopia; India; Malaysia; South Africa; [Thailand](#); etc.
- Roughly 20% housed in Ministry of Finance, e.g.: [Bangladesh](#); Brazil; Chile; PR China; Ghana; [Indonesia](#); Kenya; Korea; Mexico; [Viet Nam](#);
- A few in Ministry of Energy, e.g.: Belize; Kazakhstan; Saudi Arabia
- And the rest in other institutions, e.g.: Argentina, Bhutan (National Happiness Commission), Cook Islands (Office of Prime Minister); Egypt; Fiji (Ministry of Foreign Affairs); Pakistan (Ministry of Climate Change); Palau (Ntl. Grants Office); Papua New Guinea; [Philippines](#); Seychelles (Inter-sectoral SD Steering Committee); Singapore; Tanzania (Office of the Vice President); Uzbekistan (Hydro Meteorological Service); Vanuatu.
- No NDA yet (examples): Russian Federation, Venezuela, Iraq

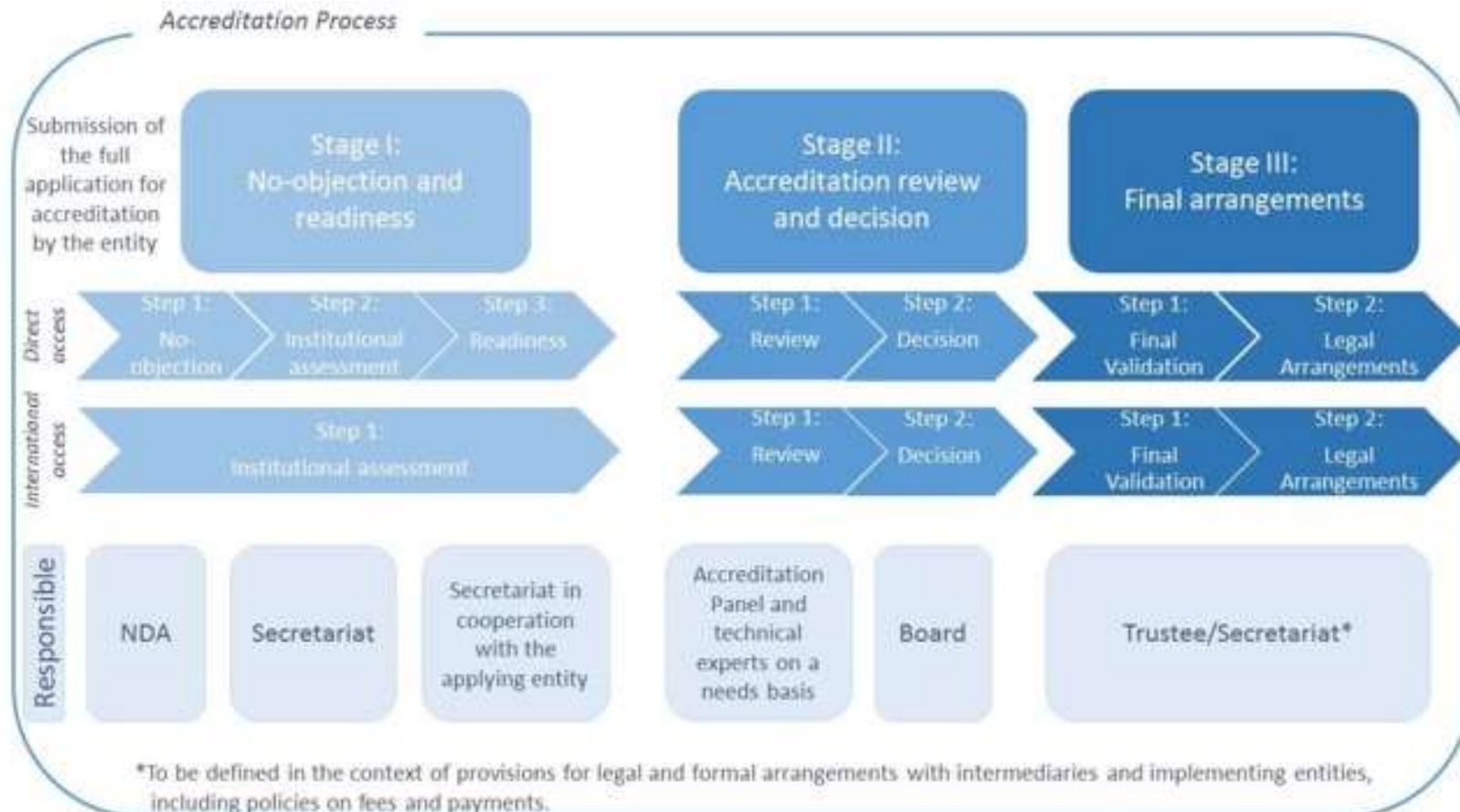


Access: NIEs, IIEs, AEs

- GCF money can be accessed through national or international implementing entities (**NIEs** and **IIEs**).
- In order to achieve the status of NIE or IIE, interested institutions need to **get accredited** by the GCF.
- Accredited NIEs or IIEs are also called accredited entities (**AEs**).
- AEs can **submit funding proposals** to the GCF and once proposals are approved, **manage the implementation** of these projects.
- AEs which passed accreditation against grant award, lending and/or blending standards are also called **intermediaries**. These institutions can **on-grant** or **on-lend** GCF money.



GCF accreditation process



GCF fiduciary standards & ESS for AEs

Basic Fiduciary Standards

- Key administrative and financial capacities
- Transparency and accountability

Specialized Fiduciary Standards

Project management

Grant award and/or funding allocation mechanisms

On-lending and/or blending

Environmental and Social Safeguards (ESS)

Institutional ESMS policy-level:

✓ Performance Standard (PS) 1:
Assessment and management of relevant PS1-8 environmental and social risks and impacts through an environmental and social management (ESMS)

Project-level:

- ✓ PS2: Labor and working conditions
- ✓ PS3: Resource efficiency and pollution prevention
- ✓ PS4: Community health, safety & security
- ✓ PS5: Land acquisition & involuntary resettlement
- ✓ PS6: Biodiversity conservation & sustainable management of living natural resources
- ✓ PS7: Indigenous peoples
- ✓ PS8: Cultural heritage



Fit for Purpose Accreditation: project size

	Total Projected Costs*
Micro	Up to and including US\$ 10 million
Small	Above US\$ 10 million and up to and including US\$ 50 million
Medium	Above US\$ 50 million and up to and including US\$ 250 million
Large	above US\$ 250 million

* At the time of application, irrespective of the portion that is funded by the Fund and, if applicable, other sources, for an individual project or activity within a programme.



Fit for purpose risk categories

Risk level	Risk category
High	A / Intermediation 1 Activities with potential significant adverse environmental and/or social risks and/or impacts that are diverse, irreversible or unprecedented
Medium	B / Intermediation 2 Activities with potential mild adverse environmental and/or social risks and/or impacts that are few in number, generally site-specific, largely reversible, and readily addressed through mitigation measures
Low/No	C / Intermediation 3 Activities with minimal or no adverse environmental and/or social risks and/or impacts

Accredited entities (03/15 – 11/16)

- 41 institutions accredited so far.
- More with every GCF Board meeting.
- Only 2 NIEs in Asia, so far: NABARD (India) and XAC Bank (Mongolia). 3 additional Asian NIEs might be accredited in December 2016.
- There is an accreditation backlog – some 160 institutions in the pipeline and many more preparing for accreditation – it may take a lot of time to get accredited.
- Preferential treatment for Asian NIE candidates in 2017.



AEs relevant for South East Asia

	Proj. Size	Proj. Mgmt.	On-granting	Lending	Risk cat.
AFD	Large	x	x	x	A
ADB	Large	x	x	x	A
CI	Medium	x	x		C
Crédit Agric.-CIB	Large	x		x	A
Deutsche Bank	Large	x	x	x	A
GIZ	Medium	x	x		B
EIB	Large	x	x	x	A
FAO	Medium	x			B
HSBC	Large	x		x	A
World Bank	Large	x	x	x	A

AEs relevant for South East Asia

	Proj. Size	Proj. Mgmt.	On-granting	Lending	Risk cat.
IFC	Large	x	x	x	A
IFAD	Medium	x	x	x	B
IUCN	Medium	x	x		B
KfW	Large	x	x	x	A
FMO	Large	x	x	x	A
UNDP	Medium	x			B
UNEP	Small	x			B
WFP	Micro	x			C
WMO	Small	x			C

AEs relevant for South East Asia – to be considered in Dec 2016

	Proj. Size	Proj. Mgmt.	On-granting	Lending	Risk cat.
PT SMI	Small	x	x	x	B2
Proparco	Large	x	x	x	A1
WWF	Medium	x	x		B2

In addition (direct access, national): FECO China and Korea Development Bank



